

## What is the purpose of this benefit program?

- ✓ Help attract and retain City of Savannah employees.
- ✓ Help increase homeownership in Savannah.
- ✓ Serve as a model for other progressive Savannah area employers.



## What are some of the basic program requirements?

- ✓ Employees below the Department Head level may apply.
- ✓ City employees married to City employees participate as a household.
- ✓ City employees with spouses at or above Department Head level are not eligible.
- ✓ Must be a regular or interim employee working at least 20 hours per week.
- ✓ No disciplinary action (reprimand or more severe) for 6 months prior to participation.
- ✓ Employee must be able to secure 1<sup>st</sup> mortgage financing to purchase a house within program terms.
- ✓ House purchased must be within Savannah city limits.
- ✓ Employee must OWN and OCCUPY the house as their principal place of residence for five years from closing date.

## Track-1 Benefit

- ✓ The benefit is a forgivable loan:
  - \$6,000 in redevelopment areas
  - \$4,000 in target neighborhoods
  - \$2,000 elsewhere within City

## Track-2 Benefit

- ✓ Employees not immediately qualified to purchase a house under the program terms, but who appear to have problems that can be corrected within 24 months, may be selected to participate in a homeownership counseling program that will help prepare them for homeownership over a period of up to 24 months.
- ✓ Employees will be required to pay \$25 a month into a TELCO or other approved savings account.
- ✓ The City may match this amount, at closing, with \$100 a month.
- ✓ This means an employee participating for 24 months in the counseling program may be able to earn an additional \$2,400 forgivable loan if they successfully complete the counseling program and purchase a house. They will have also saved \$600 of their own money!



## What is a forgivable loan?

- ✓ This is a loan that does not have to be repaid if the terms of the loan are followed.
- ✓ When loan terms are followed, 1/5 of loan is forgiven each year the employee remains employed by the City and remains an occupant of the house.
- ✓ Forgiven amount will be reported on W2 as additional income. For example, a \$6,000 loan would be forgiven at a rate of \$1,200 per year.
- ✓ The unpaid loan balance must be repaid to the City if the employee defaults on the program terms during the first five years.

## What are redevelopment and target areas?

- ✓ Redevelopment areas are older neighborhoods the City is seeking to revitalize through a variety of initiatives.
- ✓ Target areas are neighborhoods in which the majority of residents have low incomes as defined by HUD.
- ✓ The Department of Housing maintains a list and map identifying these areas:
- ✓ Some redevelopment areas include:
  - Cuyler-Brownsville
  - West Savannah
  - Feiler Park
  - Eastside/Benjamin Van Clark
  - Ogeecheeton

## Can this program be combined with other programs?

- ✓ YES!
- ✓ Employees who qualify for the City's HUD funded DreamMaker programs may also participate in this program.
- ✓ Employees who qualify for the Georgia Department of Community Affairs DreamSavannah program may also participate in this program.

## What role does the City play in selecting and maintaining a house purchased through this benefit program?

- ✓ NONE!
- ✓ The employee selects their house based upon their own needs and based upon how much a mortgage company qualifies them to purchase.
- ✓ The City will reimburse the employee up to \$250, one time, toward the cost of having a private home inspection company perform a home inspection.
- ✓ The employee is responsible for paying the mortgage payments, taxes, insurance and other fees/costs associated with buying and owning a house.
- ✓ The employee is responsible for maintaining their house, appliances, yard, etc. in good condition and at their own expense.

## How do I Enroll?

- ✓ Priority is given to first time buyers.
- ✓ Year round for employees who immediately qualify for the down payment assistance benefit. (Track-1)
- ✓ Quarterly for employees who need to enroll in the homeownership counseling program. (Track-2)
- ✓ The Track-2 homeownership counseling program is expected to be limited to 25 new employees per quarter.
- ✓ Track-2 employees must be capable of correcting problems that prevent them from purchasing a house immediately within 24 months after enrollment in the program.
- ✓ Enrollment in Track-2 does not automatically guarantee that the employee will be able to participate in Track-1.

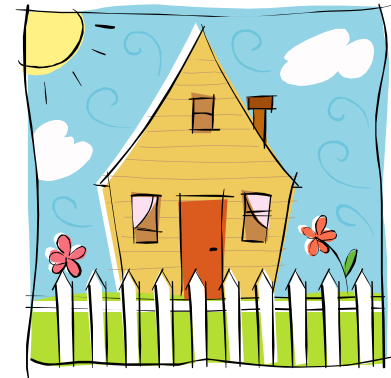
## When does the program begin?

- ✓ Applications for participation are Being accepted now!

## For more information call

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**City of Savannah**  
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## City of Savannah Employer Assisted Home Purchase Program



A Benefit Program  
For Qualified  
City of Savannah Employees



Program Administered By The  
City of Savannah  
Department of Housing  
And  
Human Resources Department